

Indian Women Entrepreneurs – Issues And Prospects

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INTRODUCTION

Entrepreneurship is the propensity of mind to take the risk with confidence to achieve a pre-determined business or industrial objective. Encouraging entrepreneurship symbolizes innovation and a dynamic economy. So it is the function of creating something new, organizing and coordinating it and undertaking risk and handling economic uncertainty with confidence. Entrepreneurs organize the business by using various traits and tactics like leadership, innovation, decision making and managerial caliber so as to run their business profitably.

Women Entrepreneurs refer to a group of women who initiate, organize and run their business enterprises by taking risks and handle various types of economic uncertainties. In recent times, the myth that a women's place is in the home has been convincingly demolished. Our constitution gives equal status to women and has provided several provisions for their upliftment. Now women are seen not only as teachers in schools or colleges, but have proven themselves in military, defence, pharmaceuticals, science, aeronautics and even in space exploration. They have proved their efficiency and intelligence. Female entrepreneurs have been identified as a major force for innovation and job creation. Now they are not only job seekers, but job givers too. The Government of India has defined women entrepreneurs based on women participation in equity and employment of a business enterprise. "An enterprise owned and controlled by women having minimum financial interest of 51% of the employment generated in the enterprise to women".

Frederick Harbison has given five functions of a women entrepreneur:

- 1) Exploration of the prospects of starting a new business enterprise.
- 2) Undertaking of risks and the handling of economic uncertainties involved in business.
- 3) Introduction of innovations or limitations of innovations or imitation of innovations.
- 4) Coordination, administration and control.
- 5) Supervision and leadership.

RATIONALE FOR DIVERSIFICATION

Women entrepreneurs are risk bearers, organizers and innovators too. Indian women, who are regarded as "better half of the society", are not equal partners in society. Perceptual variables have a crucial influence on the entrepreneurial propensity of women and account for much of the gender differences in entrepreneurial styles. The low literacy rate (40%), low work participation rate (28%), and low urban population share (10%) of women as compared to 60%, 52% and 18% respectively of their male counterparts prove their disadvantageous position in the society.

The results of a survey conducted by IIT, Delhi are:

- 1) Women own one-third of small business in USA and Canada and the number is likely to reach 50% in the 21st century.
- 2) Women account for 40% of the total work force in Asian countries.
- 3) Women outnumber men by at least two times in China.
- 4) The percentage of women entrepreneurs increased to 8.8% in 2001 in Japan.
- 5) In India, the share of women entrepreneurs has increased from 7.69% in 1992-93 to 10% in year 2000-01, but the number still is significantly low as compared to their overall work participation rate i.e. 25.7%.

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The number of women in technical courses, professional courses and in engineering streams has shown a tremendous rise. Polytechnics and IIT's have only 15% girls out of total enrolled students and very less join and set their own enterprises. Indian women have to play multiple roles in the family (as expected by others), lose their opportunities and empowerment.

So the study has been conducted by taking the functions performed by women entrepreneurs as risk bearing, organization and innovation. Women entrepreneurs face two types of problems, the general problems and the problems specific to women.

REVIEW OF LITERATURE

Table 1: Studies of Certain Authors Have Been Reviewed For This Research:

Author	Inputs	Period	Methodology	Findings
Helen Reijonen– Case Study On Understanding The Small Business Owner: What They Really Are & How This Relates To Firm Performance.	To examine how business owners perceive success and growth.	2006	Two industries in small geographical area.	Finds the motives and goals of small business owners.
Elizabeth Walker, Calvin Wang and Janice Redmond; Research paper on Women And Work Life Balance: Is Home Based Business Ownership The Solution?	Seeks to explore self employment through home-based business ownership as a potential solution to the inter role conflict.	2006	Survey in Western Australia, four way comparison investigating the dynamics of home based business ownership between male & female operators.	The attraction of home based business ownership is driven predominately by flexibility afforded to lifestyles and the ability to balance
Ayla Malach Pines and Dafna Schwartz Research paper : Now You See Them, Now You Don't : Gender Differences in Entrepreneurship.	Perceptual variables have a crucial influence on the entrepreneurial activity. This study aims to describe three studies that addressed gender differences and entrepreneurial perceptions, testing predictions derived from Schneider's Attraction Selection Attrition (ASA) model.	November 2007	National telephone survey involving 514 Israeli adults, 2 nd 313 Israeli management students, 3 rd 101 Israeli small business owners.	Results of the 1 st study showed entrepreneurial traits and values. The results of second study showed large gender differences in the willingness to start a business among management students who intend to start a business.
Muriel Orhan and Don Scott- Research Paper: On Why Women Enter Into Entrepreneur- ship: An Explanatory Model.	Develops a model of the factors that motivates women to start their own business.	January 2001	Case study on two French women entrepreneurs.	Various 'Push' & 'Pull' factors responsible have been concluded to manage enterprises by women in the competitive environment.
Maria Uden -Case Study On Indigenous Women As Entrepreneurs In Global Front Times Innovation Systems.	To investigate an entrepreneurial process with unusual characteristics, focusing on Sami micro and mezzo level entrepreneurial logic and terms.	2007	Case study is sami community in Sweden.	This paper builds an ethnological methodology and an interactive approach.

Author	Inputs	Period	Methodology	Findings
Pat H. Dickson and George T. Solomon K. Mark Weaver - Research paper: Entrepreneurial Selection and Success: Does Education Matter?	To explore the relationship between general education, specific forms of entrepreneurial education and a range of entrepreneurial activities.	2006-07		Review of research suggests four implications for existing research: need for increased research outside the USA; an understanding that inconsistencies in findings may be, to a great extent, temporal artifacts; a need for increased research focused on innovation & an acknowledgement that venture exists as an outcome of findings.

PROBLEMS FACED BY INDIAN WOMEN ENTREPRENEURS

Various issues are concerned with Indian women in exercise of their entrepreneurial skills like:

- 1) Women who have many ambitions in student life loose track of their ambitions in the post education period and settle down as homemakers. Husband has a major influential role for Indian women to face all conflicts in family and society and to cope with multiple roles.
- 2) Indian women still possess less credit worthiness as compared to men. As per a report by United Nations Industrial Development Organization (UNIDO), “despite evidence that women’s loan repayments rates are higher than men’s, women still face more difficulties in obtaining credit”. It indicates discrimination by banks and other financial institutions.
- 3) Indian women’s access to risk capital is also limited. They are refused by bankers/money lenders on the basis of lack of collateral security.
- 4) Many women co-operative societies have to face shortage of raw material due to pressure tactics adopted by male entrepreneurs in the market.
- 5) Indian women face the problem of labour, i.e. human resources, infrastructure, legal formalities, and overload of work and lack of government assistance in the form of subsidies or grants.
- 6) Social barriers of Indian society have suspicious eyes for women due to caste system and religious background. Indian women have to play various roles as expected by our Indian family system. If they spend long hours in business, then it is difficult to meet the expectations of family members.
- 7) Most of the Indian women are conservative in taking risks. They have to strike a balance between their dual roles, that’s why they have to sacrifice or suppress their innovative urge in enterprise.
- 8) Indian women are mostly confined to small scale businesses. They use mostly word processing software only. Due to lack of access to advanced software, they feel less empowered.
- 9) Women entrepreneurs continue to face the problems of marketing their products. Every entrepreneur, man or women, does market survey of their products. It is one of the core problems as this area is mainly male dominated and even women with adequate experience fail to make a dent.
- 10) Women have to play the dual role of business women and caretaker of their family as well. As a result, they often lack the essential skill set that will go a long way in helping them to develop their business skills. Regular training is a necessity in this competitive environment.

- 11) Women are also at a disadvantage as there are very less or few role models in this field. A woman can learn a lot of things from their role models.
- 12) Women also suffer from male reservations about a women's role, ability and capacity and are treated accordingly. In the male dominated Indian society, women are not treated at par with men.

In addition to the above problems, inadequate infrastructural facilities, shortage of power, high cost of production, social attitude, low need for achievement and socio-economic constraints also hold the women back from entering into business.

FACTORS INFLUENCING WOMEN ENTREPRENEURSHIP

'Push' and 'Pull' factors are responsible for motivating women to become entrepreneurs and these factors are relatively important according to choice and necessity.

Push factors are elements of necessity such as insufficient family income, dissatisfaction with a salaried job, difficulty in finding work and a need for flexible work schedule because of family responsibilities. These factors may have more importance for women than for men.

The women still has to act as a caretaker and nurturer. Flexible work schedules in entrepreneurship act as a means for accommodating work and their child-rearing role simultaneously.

Lack of evolutionary prospect and dissatisfaction from previous employment may also help women in identifying entrepreneurial activities. Reluctance to look for a job because of age or fear of not finding an equivalent position force women to quit their jobs and start their own businesses. Flexible work schedules motivate women who are more prone to start home-based businesses or part time businesses.

The interaction between male dominations and '**Push factors**' helps in the growth of women entrepreneurs. In India, a low education level or training such as clerical work or nursing has an orientation for dominating woman and such type of education does not have a real impact on motivations of a person. The person's activities, showing a level of achievement and originality generates either from environmental influence or individual motivations.

'**Pull factors**' that work as entrepreneurial drive factors relate to independence, self-fulfillment, entrepreneurial drive and desire for wealth, power and social status, co-operation and support of family members and a strong network of contacts. The most prominent factor is 'self-achievement' expressed in terms of challenge which helps women to start, run their own business and turn it into a profitable venture. When a strong need for achievement could not be fulfilled through a salaried position or when there was a desire to transform a perceived opportunity into a marketable idea, then these factors work as pull factors for a person to start their own venture.

Women entrepreneurs create their business, inculcate their ideas as innovators and do not allow someone else to capture the fruits of their efforts.

'**Women's identity**' approach also works as a pull factor. Encouragement and support from the close environment directly or indirectly led the women to a new professional orientation i.e. entrepreneurship. Women entrepreneur networks have proved to be valuable tools for the development and promotion of women entrepreneurship.

Therefore, push factors work as necessity whereas pull factor attract women to become entrepreneurs. That's why women entrepreneurs have an important impact on the economy, both in their ability to create jobs for themselves and to create jobs for others.

SUCCESS STORIES OF INDIAN WOMEN ENTREPRENEURS

In India, successful women entrepreneurs like Ekta Kapoor, Kiran Mazumdar Shaw, Shahnaz Hussain, Ritu Beri, Vandana Luthra have worked in their fields by removing all limitations with different entrepreneurial styles.

***EKTA KAPOOR:**

The daughter of a successful film star, she started her television software business at the age of 19 years and became successful by the time she was in her early 20's. Her hard work and commitment eventually paid off; in the early 2000's she had two highly successful serials, "**KYUNKI SAS BHI KABI BAHU THI**" and "**KAHANI**

GHAR GHAR KI' .She is called the lady with the Midas Touch .By the end of 2002, she had about 35 programming hours per week on television.

* **KIRAN MAZUMDAR SHAW:** Had no professional qualification for running a business .She did not even have an active interest in setting up a business. A meeting with **CEO of Biocon International** changed her career plans forever. She became the first Indian lady to be a Biotechnology Entrepreneur. Now she is the chairman & MD of Biocon Ltd. In 2004, she became India's richest women. She got the following positions:

- Vice-president, Association of Women Entrepreneurs of Karnataka.
- Chairperson and mission leader of CII; National Task force on Biotechnology.
- Member, The Prime ministers Councils on Trade and Industry in India.
- Board member, Bioventure for Global Health.
- Member, Board of Science Foundation, Ireland.
- Member, Board of Governors, IIM Bangalore.
- Chairperson, Karnatka Vision Group on Biotechnology.
- Member, Advisory Council of Government Department of Biotechnology.

* **SHAHNAZ HUSSAIN:** Comes from a royal family of conservative Muslims. Her vision was to draw the attention of the world toward the natural system of ayurveda. She popularized herbal treatment for beauty and health problems. She said, *"To succeed, one must never give up and stop trying"*. She also said, *"I always feel that I have another mountain to climb and another frontier to cross. I never rest on my laurels"*. So her commitment and self confidence have made her company as one of the most successful of its kind in the world.

* The women running **SHRI MAHILLA GRIHA UDYOG LIJJAT PAPAD** have a spirit of entrepreneurship. These women overcame social & educational constraints (being semi-literate).

All women entrepreneurs discussed in this case were able to overcome odds to create successful business ventures in their respective fields. They also became role models for many of Indian new young entrepreneurs.

Pandit Jawahar Lal Nehru has rightly said, *"When woman move forward, the family moves, the village moves and the nation moves"*.

STEPS TAKEN BY THE INDIAN GOVERNMENT

The Indian Government has taken various steps for the encouraging Indian women to take up entrepreneurial activities like:-

1. The Eighth five year plan was launched in 1993 (**'Woman in Agriculture'**) so as to train woman in Animal husbandry, Horticulture, Dairying, Fisheries etc. Government used to give financial assistance to woman in **Agro-Based** industries.
2. The Khadi and Village Industries Commission took measures and now women have 46.5% share in **KVIC**.
3. Development of women and children in rural areas (DWCRA) was started by govt. to eradicate poverty and Swarn Jayanti Gram Swarojgar Yojna is also on the same lines.
4. Ninth Five Year Plan has started a **"WOMAN COMPONENT PLAN"** i.e. not less than 30% of funds are earmarked in all women related sectors.
5. Women Development Corporations (**WDCs**) provide forward and backward linkages of credit and marketing facilities to women entrepreneurs of small sectors.
6. Ministry of SSI launched a scheme in 1998 named **TREAD** i.e. (**Trade Related Entrepreneur Assistance & Development**) for economic empowerment of rural and urban women, elimination of various problems faced by Indian women so as to strengthen their trade network and develop their entrepreneurial skills.
7. The Tenth Five Year Plan has started a three fold strategy for women empowerment -social, economic, and by gender justice .Various NGOs have set up Training cum production centers for women in rural areas like Sericulture, weaving, block printing, spinning etc.
8. The Rashtriya Mahila Kosh set up in 1993 provides Micro-Credit to poor women to start their own small ventures.

As per census 2001-02, the total number of women entrepreneurs in the total SSI were 10, 63,721 (10.11%). In the States of Kerala, Tamil Nadu, Orissa, Karnataka and Goa, Women entrepreneurs were more i.e. 20% (approx.).

Table 2: State Wise Break up of Enterprises Managed/Owned by Women

S.no.	Name of State/Unit	No. of enterprises Managed By Women	No. of Women Enterprises
1.	JAMMU&KASHMIR	5640	5742
2.	HIMACHAL PRADESH	3515	3722
3.	PUNJAB	30190	29068
4.	CHANDIGARH	2059	2243
5.	UTTARANCHAL	8706	88045
6.	HARYANA	10087	9620
7.	DELHI	13368	14383
8.	RAJASTHAN	29785	36371
9.	UTTAR PRADESH	54491	72667
10.	BIHAR	38170	49443
11.	SIKKIM	30	98
12.	ARUNACHAL PRADESH	131	150
13.	NAGALAND	207	179
14.	MANIPUR	9168	10745
15.	MIZORAM	3076	3700
16.	TRIPURA	631	863
17.	MEGHALAYA	3658	3580
18.	ASSAM	11189	11757
19.	WEST BEGAL	71847	69625
20.	JHARKHAND	7271	7865
21.	ORISSA	33274	38233
22.	CHHATTISGARH	11766	10034
23.	MADHYA PRADESH	62351	68823
24.	GUJARAT	55361	53703
25.	DAMAN&DIU	167	213
26.	DADRA&NAGAR HAVELI	167	213
27.	MAHARASHTRA	80662	100670
28.	ANDHRA PRADESH	77347	77166
29.	KARNATAKA	101264	103169
30.	GOA	677	810
31.	LAKSHADWEEP	61	67
32.	KERALA	137561	139225
33.	TAMIL NADU	130289	129808
34.	PONDICHERRY	1089	1065
35.	ANDAMAN&NICOBAR ISLANDS	53	110
	ALL INDIA	995141	1063721

Source: Census, Govt. of India, 2001

As per this census, Indian women own nearly 9.9 lakh units, whereas United States women own nearly 91 lakh small businesses.

Table 3: Percentage of Female Employment To The Total employment Of The State

S.NO.	Name of State	Percentage Of Female Employment To the Total Employment of the State
1.	JAMMU&KASHMIR	7.51
2.	HIMACHAL PRADESH	6.26
3.	PUNJAB	5.26
4.	CHANDIGARH	5.46
5.	UTTARANCHAL	8.28
6.	HARYANA	5.52
7.	DELHI	6.72
8.	RAJASTHAN	7.04
9.	UTTAR PRADESH	5.11
10.	BIHAR	7.14
11.	SIKKIM	16.72
12.	ARUNACHAL PRADESH	12.10
13.	NAGALAND	5.65
14.	MANIPUR	17.06
15.	MIZORAM	27.46
16.	TRIPURA	13.38
17.	MEGHALAYA	13.42
18.	ASSAM	6.08
19.	WEST BENGAL	15.28
20.	JHARKHAND	5.08
21.	ORISSA	24.36
22.	CHHATTISGARH	11.78
23.	MADHYA PRADESH	10.51
24.	GUJARAT	9.57
25.	DAMAN&DIU	14.83
26.	DADRA&NAGAR HAVELI	14.83
27.	MAHARASHTRA	11.77
28.	ANDHRA PRADESH	15.46
29.	KARNATAKA	20.81
30.	GOA	24.37
31.	LAKSHADWEEP	26.31
32.	KERALA	37.15
33.	TAMIL NADU	24.48
34.	PONDICHERRY	23.52
35.	ANDAMAN&NICOBAR ISLANDS	5.59
	ALL INDIA	13.31

Source: Census, Govt. of India, 2001

CONCLUSION

Women in India are no longer submissive and are not confined within the four walls of the home. The government & voluntary agencies should take more steps to recognize & integrate the strength of women in the processes of industrial development. Co-operation and partnership between national and international networks will also facilitate entrepreneurial endeavors by women. It will have a strong impact on the economic development of our country.

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